

VILLAGE OF DAGGETT  
AUDITED FINANCIAL STATEMENTS  
REQUIRED SUPPLEMENTAL INFORMATION  
AND SUPPLEMENTAL REPORT  
YEAR ENDED MARCH 31, 2007

### AUDITING PROCEDURES REPORT

Issued under P.A. 2 of 1968, as amended. Filing is mandatory.

Local Government Type <input type="checkbox"/> City <input type="checkbox"/> Township <input checked="" type="checkbox"/> Village <input type="checkbox"/> Other		Local Government Name VILLAGE OF DAGGETT	County MENOMINEE
Audit Date MARCH 31, 2007	Opinion Date JUNE 21, 2007	Date Accountant Report Submitted to State: JUNE 21, 2007	

We have audited the financial statements of this local unit of government and rendered an opinion on financial statements prepared in accordance with the Statements of the Governmental Accounting Standards Board (GASB) and the *Uniform Reporting Format for Financial Statements for Counties and Local Units of Government in Michigan* by the Michigan Department of Treasury.

We affirm that:

1. We have complied with the *Bulletin for the Audits of Local Units of Government in Michigan* as revised.
2. We are certified public accountants registered to practice in Michigan.


We further affirm the following. "Yes" responses have been disclosed in the financial statements, including the notes, or in the report of comments and recommendations

You must check the applicable box for each item below.

- ☐ yes ☒ no 1. Certain component units/funds/agencies of the local unit are excluded from the financial statements.
- ☐ yes ☒ no 2. There are accumulated deficits in one or more of this unit's unreserved fund balances/retained earnings (P.A. 275 of 1980).
- ☐ yes ☒ no 3. There are instances of non-compliance with the Uniform Accounting and Budgeting Act (P.A. 2 of 1968, as amended).
- ☐ yes ☒ no 4. The local unit has violated the conditions of either an order issued under the Municipal Finance Act or its requirements, or an order issued under the Emergency Municipal Loan Act.
- ☐ yes ☒ no 5. The local unit holds deposits/investments which do not comply with statutory requirements. (P.A. 20 of 1943, as amended [MCL 129.91], or P.A. 55 of 1982, as amended [MCL 38.1132]).
- ☐ yes ☒ no 6. The local unit has been delinquent in distributing tax revenues that were collected for another taxing unit.
- ☐ yes ☒ no 7. The local unit has violated the Constitutional requirement (Article 9, Section 24) to fund current year earned pension benefits (normal costs) in the current year. If the plan is more than 100% funded and the overfunding credits are more than the normal cost requirement, no contributions are due (paid during the year).
- ☐ yes ☒ no 8. The local unit uses credit cards and has not adopted an applicable policy as required by P.A. 266 of 1995 (MCL 129.241).
- ☐ yes ☒ no 9. The local unit has not adopted an investment policy as required by P.A. 196 of 1997 (MCL 129.95).

**We have enclosed the following:**

	Enclosed	To Be Forwarded	Not Required
The letter of comments and recommendations.			X
Reports on individual federal financial assistance programs (program audits).			X
Single Audit Reports (ASLGR).			X

Certified Public Accountant (Firm Name) RAY PAYMENT, CPA			
Street Address 617 LUDINGTON STREET	City ESCANABA	State MI	ZIP 49829
Accountant Signature 			

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RAYMOND L. PAYMENT  
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June 21, 2007

INDEPENDENT AUDITOR'S REPORT

Honorable Village Board  
Village of Daggett  
Daggett, Michigan

I have audited the accompanying financial statements of the governmental activities, the major fund and the aggregate remaining funds information of the Village of Daggett, as of and for the year ended March 31, 2007, which collectively comprise the basic financial statements of the Village of Daggett as listed in the table of contents. These financial statements are the responsibility of the Village's management. My responsibility is to express opinions on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit also assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

As described in Note 2, the Village of Daggett prepares its financial statements on a prescribed basis of accounting that demonstrates compliance with the cash basis and budget laws of the State of Michigan, which is a comprehensive basis of accounting other than generally accepted accounting principles.

As described more fully in Note 2, the Village has not maintained a record of its general fixed assets and, accordingly, the General Fixed Assets Account Group is not included in this report, as required by generally accepted accounting principles.

In my opinion, except for the effects of the omission of the general fixed assets and cash basis financial statements, as discussed in the above paragraph, the financial statements referred to in the first paragraph present fairly, in all material respects, only the cash and unencumbered cash balances of each of the Village's fund types at March 31, 2007, and

June 21, 2007

VILLAGE OF DAGGETT  
INDEPENDENT AUDITOR'S REPORT (Continued)

revenues received and the expenditures paid of such fund types as discussed in the third paragraph, in conformity with accounting principles generally accepted in the United States of America.

As described in Note A, the Village has implemented a new financial reporting model, as required by the provisions of GASB Statement No. 34 Basic Financial Statements and Management's Discussion and Analysis - for State and Local Governments, as amended and interpreted, as of April 1, 2006.

The management's discussion and analysis and budgetary comparison information on pages 5 through 9 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. I have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, I did not audit the information and express no opinion on it.

I conducted my audit for the purpose of forming an opinion on the financial statements taken as a whole. The supplementary data are presented for the purpose of additional analysis and are not a required part of the financial statements of the Village of Daggett, Michigan. Such information has been subjected to the auditing procedures applied in the examination of the financial statements and, in my opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

A handwritten signature in black ink, appearing to read "Ray L. Payment", is written over a faint, larger signature that also appears to read "Ray L. Payment".

Ray L. Payment  
Certified Public Accountant

VILLAGE OF DAGGETT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Year Ended March 31, 2007

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**Management's Discussion and Analysis**

This section of the Village of Daggett's annual financial report presents my discussion and analysis of the Village's performance during the year ended March 31, 2007. It is to be read in conjunction with the Village's financial statements, which immediately follow. This is a requirement of the Governmental Accounting Standards Board Statement No. 34 (GASB 34) Basic Financial Statements - and Managements Discussion and Analysis - for State and Local Governments, as amended and interpreted, and is intended to provide the financial results for the fiscal year ending March 31, 2007. This is the first year of GASB 34 implementation. As a result the financial report is presented differently than previous years. Because this is the first year of implementation of GASB Statement No. 34, prior-year data is not available but will be provided in subsequent years for comparative purposes.

**Government-wide Financial Statements**

The Government-wide financial statements appear first in the financial report. These financial statements include the statement of net assets and the statement of activities. They report information about the Village as a whole. The statements are prepared using the cash basis method of accounting which is the accounting used by most small private sector businesses. The statement of net assets includes all of the Village's assets and liabilities except the fiduciary funds. All current year revenues and expenses are reported in the statement of activities. The two statements report the governmental activities of the Village that include all services performed by the Village. These activities are funded primarily by property taxes and state grants.

The statement of net assets reports the Village's assets and liabilities. The corresponding balance between the assets and liabilities equals the net assets of the Village. This statement measures the financial strength of the Village; the greater the net asset figure, the healthier the financial position of the Village generally is. It helps management determine if the Village will be able to fund current obligations and whether they have resources available for future use.

The statement of activities shows the current year change in net assets on a revenue less expense basis. It shows the operating results for a given year of the Village. Any excess of revenues over expenditures results in a surplus for the year that in turn increases the net assets (or reduces a deficit) available to fund future needs of the Village.

VILLAGE OF DAGGETT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

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**Fund Financial Statements**

The Village's fund financial statements show a detail of funds that are determined to be significant, called major funds. The fund that is separately stated as the major fund are the General Fund and Special Revenue Funds.

Governmental funds are accounted for by the cash basis method of accounting (flow of current cash measurement focus). This method records revenues when cash is received and resources are available to finance expenditures of the fiscal period. Expenditures are recorded when the cash is expended. The governmental fund financial statements show the detail of operations for a given year according to this method of accounting. This is similar to how the Village reported their finances in the past. The individual fund statements help management determine what financial resources are available on a short-term basis to fund operations.

Although the government-wide financial statements and the fund financial statements use different methods of accounting to report the Village's financial condition, there are no current year differences between the two types of statements.

Fiduciary funds, such as the Tax Collection Fund, are reported in the fiduciary fund financial statement, but are excluded from the government-wide reporting. The fiduciary fund financial statement reports resources that are not available to fund Village programs. The fiduciary fund financial statement reports similarly to governmental funds.

VILLAGE OF DAGGETT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

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**Government-wide Financial Statements - Condensed Financial Information**

Statement of Net Assets

The following is a March 31, 2007 condensed statement of net assets with a detailed analysis of the statement below.

	<u>Governmental Activities</u>
ASSETS	
Current Assets:	
Cash and CD's	\$     161 528
Total Current Assets	\$     161 528
Total Assets	\$     161 528
	<hr/>
NET ASSETS	\$     161 528
Total Net Assets	\$     161 528
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The Village's total net assets are \$161,528 at March 31, 2007.



VILLAGE OF DAGGETT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

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**Government-wide Financial Statements - Condensed Financial Information**

Statement of Net Assets (Continued)

The total unrestricted net assets are \$161,528 as of March 31, 2007. This is the net accumulated result of the current and past years' operations. The balance in the unrestricted net assets shows that the Village has an ample amount of assets to fund liabilities at March 31, 2007.

**Statement of Activities**

The results of operations for the Village as a whole are reported in the statement of activities. This statement reports the changes in net assets for the fiscal year ended March 31, 2007. Since this is the first year the Village has prepared financial statements following GASB Statement No. 34, revenue and expense comparisons to the previous year are not made.

	<u>Governmental Activities</u>
Revenue:	
Program Revenues:	
Charges for services	\$      40  680
Operating grants and contributions	46  148
General Revenues:	
Taxes and collection fees	7  307
State and federal grants	21  077
Interest and rents	<u>          14  581</u>
<div style="text-align: right;">Total Revenue</div>	<div style="text-align: right;">\$     129  793</div>
Program expenses -	
Governmental activities	<u>         108  684</u>
<div style="text-align: right;">Increase in Net Assets</div>	<div style="text-align: right;"><u>          21  109</u></div>

The Village had an overall increase in net assets of \$21,109 for the year ended March 31, 2007. The Village's revenues totaled \$129,793.

VILLAGE OF DAGGETT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

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**Statement of Activities (Continued)**

The Village's total cost to fund governmental activities was \$108,684. A majority of these costs were funded by property taxes and state grants. This shows the Village has reliance on property taxes and grants to provide future funding for its programs and administrative costs.

**Governmental Fund Budgetary Items**

A schedule showing the Village's budget and the actual results are included as required supplementary information in the financial section of the audit report. There were no budget revisions made during the year.

**Capital Assets**

The Village does not maintain a record of Fixed Assets.

**Debt**

The Village had no outstanding debt at March 31, 2007.

**Future Considerations**

The change in state aid payments along with State budget cuts will impact the financial condition of the Village. The Village has adopted a budget for the upcoming fiscal year that should not over expend it's funding and leave the Village with a positive Fund Balance.

**Contacting the Village**

If you have any questions about this report or need additional information, contact the Village offices.

BASIC  
FINANCIAL  
STATEMENTS

VILLAGE OF DAGGETT  
STATEMENT OF NET ASSETS

March 31, 2007

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ASSETS

CURRENT ASSETS:

Cash and CD's

\$ 161 528

TOTAL CURRENT ASSETS \$ 161 528

TOTAL ASSETS \$ 161 528

TOTAL NET ASSETS \$ 161 528

The accompanying notes are an integral part of  
the financial statements.

VILLAGE OF DAGGETT  
STATEMENT OF ACTIVITIES

March 31, 2007

		<u>Program Revenues</u>		<u>Governmental Activities</u>
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Net (Expense) Revenue and Changes in Net Assets</u>
Governmental activities:				
Legislative	\$ 2 469	\$ -	\$ -	\$ ( 2 469)
General				
Government	64 311	40 680	-	( 23 631)
Public Safety	633	-	633	-
Public Works	41 031	-	45 515	4 484
Other functions	<u>240</u>	<u>-</u>	<u>-</u>	<u>( 240)</u>
Total				
Governmental				
Activities	\$ 108 684	\$ 40 680	\$ 46 148	\$ ( 21 856)
General revenues:				
Taxes and collection fees				\$ 7 307
State and federal grants				21 077
Interest and rents				<u>14 581</u>
Total General Revenues				<u>42 965</u>
Changes in Net Assets				\$ 21 109
Net assets at April 1, 2006				<u>140 419</u>
Net assets at March 31, 2007				<u>\$ 161 528</u>

The accompanying notes are an integral part  
of the financial statements.

VILLAGE OF DAGGETT  
COMBINED BALANCE SHEET - CASH BASIS  
GOVERNMENTAL FUNDS

MARCH 31, 2007

	<u>Governmental Fund Type</u>		
	<u>General</u>	<u>Special Revenue</u>	<u>Total</u>
ASSETS:			
Cash and Interest-			
Bearing Deposits (Note 3)	\$ 33 819	\$ 127 709	\$ 161 528
TOTAL ASSETS	\$ 33 819	\$ 127 709	\$ 161 528
FUND EQUITY:			
Fund Balances - unrestricted	\$ 33 819	\$ 127 709	\$ 161 528

The accompanying notes are an integral part  
of the financial statements.

VILLAGE OF DAGGETT  
RECONCILIATION OF THE BALANCE SHEET OF THE GOVERNMENTAL FUND  
WITH THE STATEMENT OF NET ASSETS

March 31, 2007

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Total fund equity of governmental activities	<u>\$ 161 528</u>
Total net assets of governmental activities	<u>\$ 161 528</u>

The accompanying notes are an integral part of the  
financial statements.

VILLAGE OF DAGGETT  
COMBINED STATEMENT OF CASH RECEIPTS  
DISBURSEMENTS AND CHANGES IN FUND BALANCES - CASH BASIS  
ALL GOVERNMENTAL FUND TYPES

YEAR ENDED MARCH 31, 2007

	<u>Governmental Fund Types</u>		
	<u>General</u>	<u>Special Revenue</u>	<u>Total</u>
CASH RECEIPTS:			
Property taxes and collection fees	\$ 7 307	\$ -	\$ 7 307
Interest income	769	4 972	5 741
State revenue sharing	21 077	46 148	67 225
Wage, misc. & equipment reimbursements	40 680	-	40 680
Rents	<u>8 840</u>	<u>-</u>	<u>8 840</u>
TOTAL CASH RECEIPTS	<u>78 673</u>	<u>51 120</u>	<u>129 793</u>
CASH DISBURSEMENTS:			
General Government and Legislative:			
Maintenance wages	36 750	-	36 750
Clerk wages	1 462	-	1 462
President wages	1 300	-	1 300
Trustees wages	2 469	-	2 469
Treasurer wages	2 761	-	2 761
Payroll taxes	3 626	633	3 626
Supplies	4 352	-	4 985
Repairs	508	-	508
Professional fees	1 883	-	1 883
Community promotion and dues	2 513	-	2 513
Utilities and fuel	6 697	-	6 697
Insurance	1 342	-	1 342
Elections	1 117	-	1 117
Highways and roads	-	35 532	35 532
Sanitation	5 499	-	5 499
Parks and recreation	<u>240</u>	<u>-</u>	<u>240</u>
TOTAL CASH DISBURSEMENTS	<u>72 519</u>	<u>36 165</u>	<u>108 684</u>
EXCESS OF CASH RECEIPTS OVER (UNDER) DISBURSEMENTS	6 154	14 955	21 109
FUND BALANCE, April 1, 2006	<u>27 665</u>	<u>112 754</u>	<u>140 419</u>
FUND BALANCE, March 31, 2007	<u>\$ 33 819</u>	<u>\$ 127 709</u>	<u>\$ 161 528</u>

The accompanying notes are an integral part  
of the financial statements.



VILLAGE OF DAGGETT  
BALANCE SHEET PROPRIETARY FUND - (ELECTRIC FUND) - CASH BASIS

March 31, 2007

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ASSETS

Cash and Interest Bearing Deposits	\$ 280 802
TOTAL ASSETS	<u>\$ 280 802</u>
RETAINED EARNINGS	<u>\$ 280 802</u>

The accompanying notes are an integral  
part of the financial statements.

VILLAGE OF DAGGETT  
STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND  
CHANGES IN RETAINED EARNINGS - PROPRIETARY FUND (ELECTRIC FUND)  
YEAR ENDED MARCH 31, 2007

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Income - Electrical service charges (net of sales tax)	\$ 109 802
Reimbursements and miscellaneous	<u>653</u>
Total operating income	<u>110 455</u>
Operating expenses:	
Electrical power purchased	82 252
Electrical supplies and repairs	2 989
Insurance	336
Professional services	<u>400</u>
Total operating expenses	<u>85 977</u>
Net operating income (loss)	24 478
Non-operating income:	
Interest and gains on investments	<u>9 823</u>
Net income (loss)	34 301
Retained earnings, April 1, 2006	<u>246 501</u>
Retained earnings, March 31, 2007	<u>\$ 280 802</u>

The accompanying notes are an integral part  
of the financial statements.

VILLAGE OF DAGGETT  
STATEMENT OF CASH FLOWS - PROPRIETARY FUND ( ELECTRIC FUND)  
YEAR ENDED MARCH 31, 2007

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Cash Flows From Operating Activities:	
Net income (loss)	<u>\$ 34 301</u>
Net increase in cash	34 301
Cash at April 1, 2006	<u>246 501</u>
Cash at March 31, 2007	<u><u>\$ 280 802</u></u>

The accompanying notes are an integral part  
of the financial statements.

NOTES  
TO  
FINANCIAL  
STATEMENTS

VILLAGE OF DAGGETT  
NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2007

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NOTE 1 - REPORTING ENTITY

The Village of Daggett is located in Menominee County and provides services to its residents in many areas including community enrichment and development, and human services. In accordance with the provisions of NGCA Statement 3, certain other governmental organizations are not considered to be part of the Village entity for financial reporting purposes. The criteria established by the NCGA for determining the various governmental organizations to be included in the reporting entity's financial statements include oversight responsibility, scope of public service, and special financial relationships. On this basis, accordingly, the financial statements of certain other governmental organizations are not included in the financial statements of the Village. Educational services are provided through the Stephenson Area School system which is a separate governmental entity and, therefore, not presented in the financial statements included herein.

BASIS OF PRESENTATION

The financial activities of the Village are recorded in separate funds, categorized as follows:

GOVERNMENTAL FUNDS

General Fund

This fund is used to account for all financial transactions except those provided for in another fund. The Fund includes the general operating expenditures of the Village. Revenues are primarily derived from property taxes, State grants and other intergovernmental revenues.

SPECIAL REVENUE FUNDS

Major Street, Local Street and Landfill Closure Funds

These funds are used to account for specific governmental revenues requiring separate accounting because of legal or regulatory provisions or administrative action.

VILLAGE OF DAGGETT  
NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2007  
(Continued)

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Proprietary Fund Types

Enterprise Funds

Enterprise funds are used to account for operations (1) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (2) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purpose.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Village of Daggett do not conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of the significant policies.

Basis of Accounting

Governmental Funds

The accounting policies of the Village of Daggett do not conform to generally accepted accounting principles as applicable to governmental units in that the cash basis of accounting is utilized by the governmental fund rather than the modified accrual basis of accounting. Consequently, certain revenue and the related assets are recognized when received rather than when earned, and certain expenditures are recognized when paid rather than when the obligation is incurred.

Fixed Assets

The accounting policies of the Village of Daggett as they relate to fixed assets are not in accordance with generally accepted accounting principles in that the general fixed assets are not recorded.

Property Taxes

The Village's 2006 ad valorem tax was levied and collectible on December 1, 2006. It is the Village's policy to recognize revenues from the current tax levy in the current year

VILLAGE OF DAGGETT  
NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2007  
(Continued)

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when the proceeds on this levy are budgeted and made available for the financing of Village operations. Payment from the county which purchases the 2006 delinquent taxes will be recognized as revenue when received in cash.

See schedule on page 26 for levy breakdown and millage rates.

NOTE 3 - CASH AND INTEREST-BEARING DEPOSITS

Deposits are carried at cost. Deposits of the Village are in one bank in the name of the Village of Daggett Treasurer. Michigan Compiled Laws, Section 124.91 authorized the Village Treasurer to deposit and invest in the accounts of federally insured banks, credit unions, and savings and loan associations; bonds, securities, and direct obligations of the United States, or any agency or instrumentality of the United States in which the principal and interest is fully guaranteed by the Government National Mortgage Association; United States Government or Federal Agency obligation repurchase agreement; banker's acceptance of United States banks; mutual funds composed of investment vehicles which are legal for direct investment by local units of government in Michigan; and commercial paper rates by two standard rating agencies within the three highest classifications, which matures not more than 270 days after the date of purchase, and which involves no more than 50 percent of any one fund. Michigan law prohibits security in the form of collateral, surety bonds, or other forms for the deposit of public money. The Village's deposits are in accordance with statutory authority.

Governmental Accounting Standards Board (GASB) Statement 3 risk disclosure for the Village's cash deposits are as follows:

<u>Deposits</u>	<u>Carrying Amount</u>
Not insured	\$ 142 330
Insured	\$ 300 000
 TOTAL DEPOSITS	 \$ 442 330

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VILLAGE OF DAGGETT  
NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2007  
(Continued)

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NOTE 4 - BUDGETS AND BUDGETARY ACCOUNTING

As set forth in the Village Charter, the Village adopts an annual budget for the General Fund and Special Revenue Funds. The annual budgets are prepared in accordance with the basis of accounting utilized by those funds (cash basis). Subsequent to year-end, the board adopts an amended budget approving any transfers among departments or additional expenditures. The budget amounts are presented on page 25. All appropriations lapse at fiscal year-end.

NOTE 5 - USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE 6 - RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The Village purchases insurance coverage through a carrier. This plan purchases reinsurance for all risks. The Village's expense is to pay only the annual premium. In addition, the Village purchases worker's compensation insurance.

NOTE 7 - ACCOUNTING CHANGE

Effective April 1, 2006, the Village implemented the provisions of Governmental Accounting Standards Board Statements No. 34, Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments (GASB No.34). Significant changes to the Village's financial statements as a result of GASB No. 34 are as follows:

Management Discussion and Analysis - provides analysis of the Village's overall financial position and results of operations as reported by the Village's management.

Government-wide financial statements - Statement of Net Assets and Statement of Activities are prepared using the full accrual basis of accounting that includes all of the Village's activities.

Major funds - fund-based financial statements focus on major funds rather than fund-types. Major funds are determined based on the comparison of activity of individual governmental funds to total governmental fund activity.



REQUIRED  
SUPPLEMENTAL  
INFORMATION

VILLAGE OF DAGGETT  
COMBINED STATEMENT OF CASH RECEIPTS, DISBURSEMENTS  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - CASH BASIS  
GENERAL AND SPECIAL REVENUE FUNDS

MARCH 31, 2007

	<u>General Fund</u>		
	<u>Actual Amount</u>	<u>Budget Amount</u>	<u>Variance Favorable (Unfavorable)</u>
CASH RECEIPTS:			
Property taxes & collection fees	\$ 7 307	\$ 7 825	\$ ( 518)
Wage, misc. & equipment reimbursement	40 680	54 941	(14 261)
State revenue sharing	21 077	20 000	1 077
Interest	769	750	19
Rents	<u>8 840</u>	<u>-</u>	<u>8 840</u>
TOTAL RECEIPTS	<u>78 673</u>	<u>83 516</u>	<u>( 4 843)</u>
CASH DISBURSEMENTS:			
General Government and Legislative:			
Maintenance wages	36 750	36 360	( 390)
Clerk	1 462	3 400	1 938
President	1 300	1 200	( 100)
Trustees	2 469	1 920	( 549)
Treasurer	2 761	3 200	439
Payroll taxes	3 626	7 761	4 135
Supplies and repairs	4 860	6 500	1 640
Professional services	1 883	1 500	( 383)
Community promotion and dues	2 513	1 850	( 663)
Utilities and fuel	6 697	8 950	2 253
Insurance	1 342	5 100	3 758
Elections	1 117	-	( 1 117)
Highways and roads	-	-	-
Sanitation	5 499	5 400	( 99)
Parks and recreation	<u>240</u>	<u>500</u>	<u>260</u>
TOTAL DISBURSEMENTS	<u>72 519</u>	<u>83 641</u>	<u>11 122</u>
EXCESS OF CASH RECEIPTS OVER (UNDER) DISBURSEMENTS	6 154	( 125)	6 279
FUND BALANCE, April 1, 2006	<u>27 665</u>	<u>27 665</u>	<u>-</u>
FUND BALANCE, March 31, 2007	<u>\$ 33 819</u>	<u>\$ 27 540</u>	<u>\$ 6 279</u>

The accompanying notes are an integral part  
of the financial statements.

<u>Special Revenue Funds</u>		
<u>Actual</u> <u>Amount</u>	<u>Budget</u> <u>Amount</u>	<u>Variance</u> <u>Favorable</u> <u>(unfavorable)</u>
\$ -	\$ -	\$ -
4 972	350	4 622
46 148	37 633	8 515
-	-	-
-	-	-
<u>51 120</u>	<u>37 983</u>	<u>13 137</u>
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
633	633	-
-	-	-
-	-	-
-	-	-
-	-	-
35 532	39 480	3 948
-	-	-
-	-	-
<u>36 165</u>	<u>40 113</u>	<u>3 948</u>
14 955	( 2 130)	17 085
<u>112 754</u>	<u>112 754</u>	<u>-</u>
\$ 127 709	\$ 110 624	\$ 17 085

OTHER  
FINANCIAL  
INFORMATION

VILLAGE OF DAGGETT  
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
FIDUCIARY FUND TYPES - TAX FUND

MARCH 31, 2007

<u>CURRENT TAX COLLECTION FUND</u>	Balance April 1, 2006	<u>Additions</u>	<u>Deductions</u>	Balance March 31, 2007
<u>ASSETS</u>				
Cash	\$ -	\$ 6 703	\$ 6 703	\$ -
TOTAL ASSETS	\$ -	\$ 6 703	\$ 6 703	\$ -
Due to other taxing units:				
Village of Daggett	\$ -	\$ 6 703	\$ 6 703	\$ -
TOTAL LIABILITIES	\$ -	6 703	\$ 6 703	\$ -

TOWNSHIP OF DAGGETT  
SCHEDULE OF ASSESSED VALUATION TAX RATES AND LEVIES  
YEAR ENDED MARCH 31, 2007

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	Village of Daggett <u>General Fund</u>
Taxable valuation	\$ 2 906 948
Millage rate	<u>2.50</u>
Tax Levy	7 267
Taxes returned delinquent	<u>( 563)</u>
Current tax collection	<u>\$ 6 704</u>

VILLAGE OF DAGGETT  
COMBINING BALANCE SHEET - CASH BASIS  
SPECIAL REVENUE FUNDS

MARCH 31, 2007

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	Major Street Fund	Local Street Fund	Landfill Closure Fund	Liquor Fund	Total
ASSETS:					
Cash	\$ 61 686	\$ 62 488	\$ 3 535	\$ -	\$ 127 709
TOTAL ASSETS	\$ 61 686	\$ 62 488	\$ 3 535	\$ -	\$ 127 709
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
FUND BALANCE	\$ 61 686	\$ 62 488	\$ 3 535	\$ -	\$ 127 709
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

The accompanying notes are an integral part  
of financial statements.

VILLAGE OF DAGGETT  
 COMBINING STATEMENT OF CASH RECEIPTS  
 DISBURSEMENTS AND CHANGES IN FUND BALANCE - CASH BASIS  
 ALL SPECIAL REVENUE FUNDS

YEAR ENDED MARCH 31, 2007

	Major Street Fund	Local Street Fund	Landfill Closure Fund	Liquor Fund	Total
CASH RECEIPTS:					
State shared revenue	\$ 36 466	\$ 9 049	\$ -	\$ 633	\$ 46 148
Interest income	<u>2 560</u>	<u>2 304</u>	<u>108</u>	<u>-</u>	<u>4 972</u>
TOTAL CASH RECEIPTS	<u>39 026</u>	<u>11 353</u>	<u>108</u>	<u>633</u>	<u>51 120</u>
CASH DISBURSEMENTS:					
Street & road maintenance	30 603	4 926	-	-	35 532
Liquor law enforcement	<u>-</u>	<u>-</u>	<u>-</u>	<u>633</u>	<u>633</u>
TOTAL CASH DISBURSEMENTS	<u>30 603</u>	<u>4 926</u>	<u>-</u>	<u>633</u>	<u>36 165</u>
EXCESS OF CASH RECEIPTS OVER (UNDER) DISBURSEMENTS	8 423	6 424	108	-	14 955
FUND BALANCE, April 1, 2006	<u>53 263</u>	<u>56 064</u>	<u>3 427</u>	<u>-</u>	<u>112 754</u>
FUND BALANCE, March 31, 2007	<u>\$ 61 686</u>	<u>\$ 62 488</u>	<u>\$ 3 535</u>	<u>\$ -</u>	<u>\$127 709</u>

The accompanying notes are an integral part  
 of the financial statements.



REPORT ON COMPLIANCE  
AND OTHER MATTERS BASED ON  
AN AUDIT OF FINANCIAL STATEMENTS

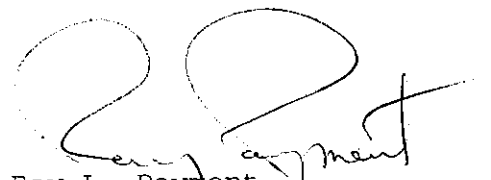
President and Members of the Board  
Village of Daggett  
Menominee County, Michigan

I have audited the accompanying financial statements of the governmental activities, the major fund and the aggregate remaining fund information of the Village of Daggett as of and for the year ended March 31, 2007, which collectively comprise the Village's basic financial statements and have issued my report thereon dated May 25, 2007. I conducted my audit in accordance with auditing standards generally accepted in the United States of America.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Village of Daggett's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance with State of Michigan deposit laws.

This report is intended solely for the information and use of the Village Board, management and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



Ray L. Payment  
Certified Public Accountant